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Conference of the States Parties to the United Nations Convention against Corruption

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Implementation of Conference resolutions 7/5, entitled "Promoting preventive measures against corruption", and 7/6, entitled "Follow-up to the Marrakech declaration on the prevention of corruption": thematic discussion on asset and interest disclosure systems (article 8, paragraph 5, of the United Nations Convention against Corruption)

Asset and interest disclosure systems (article 8, paragraph 5, of the United Nations Convention against Corruption)

Background paper prepared by the Secretariat

I. Introduction

1. In its resolution 6/1, the Conference of the States Parties to the United Nations Convention against Corruption requested the Secretariat to structure the provisional agendas of the subsidiary bodies established by the Conference in such a way as to avoid duplication of discussions, while respecting their mandates. The Conference further requested the Secretariat, in its resolution 6/6, to continue to identify comparative good practices on measures to prevent corruption and to facilitate the exchange of expertise and lessons learned among States parties.

2. In its resolution 7/6, entitled "Follow-up to the Marrakech declaration on the prevention of corruption", the Conference decided that the Working Group should continue its work to advise and assist the Conference in the implementation of its mandate on the prevention of corruption and should hold at least two meetings prior to the eighth session of the Conference.

3. In its resolution 7/5, entitled "Promoting preventive measures against corruption", the Conference decided that the Working Group should include as the topic for 2018 the use and effectiveness of asset declaration systems and conflicts of interest.

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4. In the light of these resolutions, it was decided that the topics for discussion at the ninth intersessional meeting of the Working Group on the Prevention of Corruption, to be held in Vienna from 5 to 7 September 2018, would be:

(a) Preventing and managing conflicts of interest (art. 7, para. 4);

(b) Asset and interest disclosure systems (art. 8, para. 5).

5. At its second meeting, held in Vienna from 22 to 24 August 2011, the Working Group recommended that in advance of each of its future meetings, States parties should be invited to share their experiences of implementing the provisions under consideration, preferably by using the self-assessment checklist and including, where possible, successes, challenges, technical assistance needs and lessons learned in implementation. The Working Group requested the Secretariat to prepare background papers synthesizing that information and decided that panel discussions should be held during its meetings, involving experts from countries that had provided written responses on the priority themes under consideration.

6. In accordance with these requests, the present report has been prepared on the basis of information relating to the implementation of article 8, paragraph 5, of the United Nations Convention against Corruption provided by Governments in response to the Secretary-General's note verbale dated 27 February 2018 and the reminder note verbale dated 26 April 2018.[1] As of 18 June 2018, submissions had been received from 44 States. The submissions from the following 39 countries contained information relating to the topic of conflict of interest: Algeria, Argentina, Armenia, Austria, Belgium, Bosnia and Herzegovina, Bolivia (Plurinational State of), Chile, China, Cuba, Czechia, Egypt, El Salvador, Georgia, Germany, Guatemala, Hungary, Indonesia, Italy, Japan, Kiribati, Kuwait, Lithuania, Montenegro, Norway, Oman, Panama, Peru, Poland, Portugal, Romania, the Russian Federation, Sierra Leone, Singapore, Slovakia, Slovenia, Switzerland, Turkey and the United States of America.

7. With the agreement of the countries concerned, the full text of the submissions has been made available on the website of the United Nations Office on Drugs and Crime (UNODC)[2] and incorporated into the thematic website developed by the Secretariat.[3]

8. The present report does not purport to be comprehensive but, rather, endeavours to provide a summary of the information submitted by States parties and signatories.

II. Analysis of submissions of States parties and signatories

A. Thematic background

9. The requirement for public officials to disclose their assets and interests is a relatively modern trend. While it was initially thought to be a violation of the right to privacy, the approach to asset and interest disclosure has been changing gradually, influenced by decisions of international human rights bodies and growing concerns for integrity in public administration.

10. Most of the modern asset and interest disclosure systems were developed following the adoption of the United Nations Convention against Corruption, in response to the requirements of article 8 of the Convention.

11. Article 8, paragraph 5, of the Convention requires States parties to endeavour, where appropriate and in accordance with the fundamental principles of their domestic law, to establish measures and systems requiring public officials to make

[1] A summary of information submitted by States relating to preventing and managing conflicts of interest in the context of article 7, paragraph 4, of the Convention was provided in a separate background paper prepared by the Secretariat (CAC/COSP/WG.4/2018/2).

[2] Available at www.unodc.org/unodc/en/corruption/WG-Prevention/session9.html.

[3] Available at www.unodc.org/unodc/en/corruption/WG-Prevention/financial-disclosure-declaration-of-assets.html.

declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials.

12. The purpose of an asset and interest disclosure regime is therefore to avoid potential conflicts of interest in the future and to facilitate the management of such conflicts, where appropriate. Many systems also seek to ensure that corrupt public officials will not be able to conceal the proceeds of any illegal activity.

13. The goal of the asset declaration system to ensure that the proceeds of corruption will not be concealed was particularly relevant for countries that have introduced in their criminal legislation the offence of "illicit enrichment", in accordance with article 20 of the Convention. In those cases, asset disclosure may become an effective tool to support enforcement of that legislation.

14. The need to introduce asset disclosure systems has been underlined in several resolutions of the Conference of the States Parties. In its resolution 7/5, the Conference encouraged States to adopt, maintain and strengthen systems that promote transparency and prevent conflict of interests. In its resolution 6/3, entitled "Fostering effective asset recovery", and its resolution 7/2, entitled "Preventing and combating corruption in all its forms more effectively, including, among others, when it involves vast quantities of assets, based on a comprehensive and multidisciplinary approach, in accordance with the United Nations Convention against Corruption", the Conference called on States parties to consider establishing effective financial disclosure systems for appropriate public officials.

15. The importance of article 8, paragraph 5, of the Convention has already been noted by the Working Group on the Prevention of Corruption, which had discussed implementation of that paragraph at its third intersessional meeting, in 2012.[4]

B. Measures adopted by States to introduce asset and interest systems

1. Goal of the asset disclosure system

16. The different legal traditions, legislation and policy priorities of States parties were reflected in the submissions received, and States therefore described a variety of systems, which focused on different levels of public officials and different disclosure requirements.

17. States have developed income and interest declaration systems that fall into three broad categories: systems aimed solely at managing conflicts of interest, systems designed to identify an inexplicable increase of wealth of public officials, and dual-purpose systems that aim to achieve both of the above-mentioned purposes. The most frequently reported approach in the submissions of States was the dual-purpose system.

18. Further, some States also outlined how asset and interest declaration systems were used to promote transparency or to help auditing and law enforcement agencies to detect corruption.

19. Algeria, Argentina, Armenia, Belgium, Bolivia (Plurinational State of), Chile, China, Cuba, Cyprus, Czechia, Georgia, Guatemala, Hungary, Indonesia, Italy, Lithuania, Madagascar, Montenegro, Peru, Poland, Romania, Sierra Leone, Singapore, Slovenia and the United States provided descriptions of the objectives of the declaration system applicable to their public officials.

20. Algeria reported that the goal of its asset interest disclosure regime was to guarantee the integrity of the political and administrative processes in the country, to

[4] See the note by the Secretariat on conflicts of interest, reporting acts of corruption and asset declarations, particularly in the context of articles 7–9 of the Convention (CAC/COSP/WG.4/2012/3).

protect the dignity of the persons involved in public life, and to increase public confidence in the integrity of the Government.

21. Romania reported that its interest disclosure system served both to ensure transparency in the exercise of a public office and to identify potential incompatibilities and conflicts of interest.

22. The Plurinational State of Bolivia stated that the purpose of its system of declarations of assets and income was to identify possible cases of illicit enrichment.

23. Georgia, Lithuania, Romania and the United States reported that the primary purpose of their financial disclosure systems was to assist agencies in identifying and eliminating potential conflicts of interest between a filer's official duties and his or her private financial interests and affiliations.

24. Indonesia underlined that the main goal of its system was to serve as an early warning tool to help with anti-corruption investigations, to promote transparency and integrity and to serve as a source of information for asset tracking and forfeiture.

25. Peru noted that the goal of its asset disclosure legislation was to implement effective oversight mechanisms in relation to the assets and income of public servants and officials as a means of preventing corruption.

26. The Russian Federation highlighted that the asset disclosure regime was one of the most important elements of its corruption prevention framework. In addition, public officials were prohibited from acquiring and maintaining assets, including foreign bank accounts and foreign financial instruments abroad.

2. Categories of individuals needing to make asset and interest declarations

27. One of the key elements for the asset and interest disclosure regime was the scope of persons required to disclose. That decision was shaped by the purpose of the asset and interest disclosure system, by the level of resources available to administer and manage the system and by other design factors such as whether the system was paper-based or electronic, and the approach to be taken to verifications. The decision as to scope was important as it largely predetermined the ability of the State party to manage the system that it had developed. A second, related decision was whether the assets and interests of family members and other individuals should be reflected in the declaration.

28. The variety of approaches was illustrated by the wide array of options presented by the States parties. Nonetheless, the following three groups of approaches could be identified in the submissions: systems which focused entirely on the high-level public officials (including those elected or politically appointed); systems which also required lower-level civil servants to declare; and systems which, in addition to these two groups, also provided for the disclosure of the assets and interests of managers of State-owned companies.

29. Algeria, Argentina, Austria, Belgium, Bolivia (Plurinational State of), Bosnia and Herzegovina, Cyprus, Czechia, Hungary, Indonesia, Lithuania, Norway, Panama, Peru, Poland, Portugal, Romania, Sierra Leone and the United States required high-level elected officials such as the Head of State, members of Parliament and/or ministers to declare their assets and interests.

30. Algeria, Argentina, Armenia, Bosnia and Herzegovina, Bolivia (Plurinational State of), China, Cyprus, Czechia, Georgia, Hungary, Kiribati, Lithuania, Madagascar, Montenegro, Poland, Romania, the Russian Federation, Sierra Leone, Singapore, Slovakia, Slovenia and the United States reported that they required family members or members of public officials' households to report on their assets and interests.

31. Algeria stated that the focus of the asset and interest disclosure regime was on high-level officials, including the President, members of Parliament, members of local assemblies, magistrates, members of the Constitutional Council, the Prime Minister and ministers, the president of the supreme audit institution, the Central

Bank and ambassadors. Property belonging to the adolescent children of such public officials should also be declared.

32. Armenia noted that officials holding State (high-level) positions such as the President of the Republic, the Prime Minister, deputies of the National Assembly, members of the Constitutional Court, judges, ministers and their deputies, prosecutors, heads of agencies, their advisers and assistants, as well as mayors and holders of public service positions, had to submit regular asset and interest declarations.

33. Bosnia and Herzegovina reported that elected officials at all levels must submit declarations of their assets to the Central Election Commission. Executive office holders and their advisers had an obligation to disclose their assets and interests to the Commission for Deciding on Conflict of Interest.

34. Cuba highlighted that an asset and interest disclosure system had been put in place for the officials of the customs service and for the officials serving under the Comptroller General of the Republic.

35. Cyprus reported that the President of the Republic, ministers and members of Parliament were obligated to disclose their assets to a parliamentary committee, while the lower level public officials submitted their declarations to a special council established by law. The assets and liabilities of the family members, spouses and children who were minors were also to be disclosed.

36. Georgia reported that it had taken a broad approach to defining the circle of officials who had to submit asset and income declarations and included high-level elected and politically-appointed officials, their assistants, heads of agencies, the Auditor General, members of the board and the president of the Central Bank, judges and prosecutors, local government officials and the heads of State-owned enterprises.

37. Hungary provided information that public officials of the executive branch and the judiciary, members of law enforcement agencies, professional and contracted soldiers of the Hungarian Defence Forces and employees of the Hungarian National Bank had to submit information on their assets and those belonging to their family members.

38. Kiribati reported that politically appointed high-level officials had to submit to the Leadership Code Commission a brief written statement on their assets and liabilities, both in and outside Kiribati, before the end of January every year. Public officials were also required to disclose the assets of their immediate family. The statement included a list of properties owned and their estimated values.

39. Panama reported that the President and the Vice-President of the Republic, judges, the Prosecutor General, ministers, heads of agencies and members of Parliament, as well as lower-level officials were required to file an affidavit of their property status at the beginning and at the end of their functions. To ensure compliance, officials received their salaries only upon submitting the required affidavit.

40. Portugal indicated that an asset and interest disclosure system had been introduced for high-level elected and appointed officials, including the President, ministers, members of Parliament, mayors, general directors of administration and members of the board of directors of State-owned companies.

41. Poland reported that asset declarations had to be submitted by members of the Sejm and senators, civil servants holding managerial positions, judges and public prosecutors, as well as local government officials including councillors. Local government officials were also obligated to submit declarations on their spouses' economic activity that was conducted within the perimeter of the same local government unit in which the local official held office or was employed.

42. Romania underlined that 39 categories of officials had a legal obligation to submit asset and interest declarations, including high-level elected and appointed officials, candidates for high-level positions, judges and prosecutors, local

administration officials, leaders of trade unions, and officials in State-owned enterprises.

43. Sierra Leone stated that all public servants, elected or appointed, had an obligation to deposit a sworn declaration of their income, assets and liabilities, including the assets of their spouse and any children under the age of 21 years.

44. Slovenia highlighted that it took a broad approach to ensuring the submission of asset and interest disclosures forms. All appointed and elected public officials including high-ranking civil servants, managers in public agencies, institutes and State-owned enterprises, persons responsible for public procurement, civil servants of the National Review Commission for Reviewing Public Procurement Award Procedures, and, under certain conditions, citizens of Slovenia who hold office in European Union institutions, other European Union bodies and other international institutions.

45. The United States reported that two systems for financial disclosure had been established: a public financial disclosure system in which senior government employees, including the President, Vice-President, heads of agencies and others were required to file public financial disclosure reports; and a confidential financial disclosure system for lower-level officials appointed to positions with a higher risk of conflicts of interest. For most of these officials, the individual also had to provide the same or similar information for a spouse and dependent children.

3. Reporting scope of the asset and interest disclosure systems

46. The scope of the information requested was also linked to the underlying purpose of the system. In those systems that were focused on identifying conflicts of interest, there was a tendency to request information on links to interests in both privately and publicly held businesses together with details of activities of the public official outside of their employment. In contrast, when the purpose of the system was to identify illicit enrichment, the information requested tended to focus on assets of value, sources of income and, in some cases, expenditures. The detail and specifics of the information requested varied significantly from State party to State party.

47. Algeria, Argentina, Armenia, Belgium, Bosnia and Herzegovina, Cuba, Czechia, Georgia, Hungary, Italy, Lithuania, Madagascar, Montenegro, Norway, Panama, Peru, Poland, Portugal, Romania, the Russian Federation, Sierra Leone, Singapore, Slovakia, Slovenia and the United States reported that their systems covered the disclosure of the assets, liabilities and interests of public officials.

48. Bosnia and Herzegovina stated that elected officials had to disclose their current income and movable and immovable property that they owned, in the country and abroad, as well as their liabilities.

49. Lithuania highlighted that the declarations on conflicts of interest had to contain information on all legal persons linked to the official in any way, individual economic activity, membership and position in undertakings, establishments, associations or foundations, gifts and large transactions, as well as a list of any persons, or information that might give rise to a conflict of interest.

50. Cyprus reported that public officials were required to submit information on every asset, movable and immovable, in Cyprus or abroad, on their liabilities and debts and on their bank accounts.

51. Armenia stated that the asset declaration contained information related to the official's property (movable and immovable property, securities and other investments and loans), as well as his or her income. The definition of income was very broad and included remuneration for work or any other equivalent payment, royalties, interest and other compensation on received or given loans, profits, income received in games in casinos or lotteries, in-kind or monetary gains in competitions or contests, property and monetary assets received as a donation or aid, inherited property, insurance compensation, income received from entrepreneurship, income

received from alienation of property, payment or other compensation for lease income from civil law contracts, lump-sum payments, and income received from proprietary rights, whether received in monetary or non-monetary forms.

52. Norway reported that a public declaration system for members of Parliament included information on accessory posts and activities, on real estate of considerable value or used for business purposes, business interests such as shares, gifts and travel abroad, as well as gifts or financial benefits of a value of more than 2,000 Norwegian krone (roughly 200 euros). The name of the donor, the nature of the benefit and the date when it was given were to be indicated in the declaration.

53. Poland reported that asset declarations contained information on personal finances, immovable property, shares and stocks in companies, and property purchased by the declaring person or their spouse from the State Treasury, other State-owned legal persons, local government units, their associations or a metropolitan association or property which was disposed of by tender. The declaration also contained details on economic activity and the functions held in the companies or cooperatives.

54. Sierra Leone reported that the information that was required to be disclosed included assets, liabilities, cash held in banks, cash in hand, outside financial interests, the names of the official's spouse and children under the age of 21 years and their assets, and the mode and source of financing used to acquire the assets declared.

55. The United States indicated that the public financial disclosure reports included information on sources of earned income and their amounts, liabilities, positions held outside of government, continuing arrangement with a former or current employer, or any arrangement for future employment. Officials were also required to disclose their beneficial interests in trusts and other financial arrangements, such as private equity funds unless exempt from doing so. Additionally, employees in positions requiring public financial disclosures had to file periodic transaction reports of certain personal financial transactions in stocks, bonds and other securities.

56. Romania reported that public officials had to submit information on their real estate, vehicles, precious metals, jewellery and art, bank accounts, cash, investments, direct investments and loans, as well as debts, mortgages and guaranteed leases. The disclosure also included information on the official's stake or shares in companies, credit institutions, economic interest groups, membership in associations, foundations or other non-governmental organizations, membership in governing, management and control bodies of companies, national investment companies, credit institutions, economic interest groups, associations or foundations or other non-governmental organizations, membership in professional associations or trade unions, membership in governing, management and control bodies of political parties, whether remunerated or unpaid, contracts, including legal assistance, legal advice, consulting and service contracts, completed or in progress during office, guarantees or significant public funding received from the State budget, local and foreign funds, and agreements with companies with State capital or in which the State was a majority or minority shareholder.

57. The Russian Federation highlighted that all high-level public officials had to submit information on their income and expenses and on all of their assets and liabilities, as well as the assets and liabilities of their family members.

58. Singapore reported that all public officers were required to make annual declarations of interests in investments and properties to the head of their agency, including investments and properties owned by their spouse and financially dependent children.

59. Slovakia noted that all public officials had to declare their interests and submit a declaration of offices, employment positions, activities and economic standing, including their ownership of immovable and movable property, as well as debts and liabilities.

C. Submission of the asset and interest declarations

1. Frequency of submission

60. The most frequently reported approach was that public servants and officials were required to submit asset declarations at the time they began their public service, annually during the time they were in office, and once again after the termination of their employment in public office. The other approach reported by States was that declarants had to report when certain significant events occurred, such as a significant increase or decrease in assets held.

61. No correlation was observed between the frequency of the submission of declarations and the purpose of the system. Some States reported that the frequency of submission was linked to either the seniority or the position of the declarant.

62. Argentina, Armenia, Bosnia and Herzegovina, Czechia, Georgia, Hungary, Italy, Madagascar, Montenegro, Romania, the Russian Federation, Slovakia and the United States reported that declarations were submitted on both commencing and terminating service, as well as annually during the employment.

63. Panama and Portugal indicated that declarations of elected officials were submitted upon the election and on the expiration of the mandate of the elected official.

64. Hungary stated that all officials had to submit an asset declaration prior to the appointment to a position that required the declaration, within 15 days after the termination of such employment, and periodically during the period of employment. The frequency of those periodic reports varied depending on the type of job or position.

65. Madagascar and Sierra Leone reported that all public officials had an obligation to deposit an asset declaration within three months of appointment.

66. Algeria stated that public officials were required to submit a declaration on assuming their position, after leaving the position, and whenever there was a substantial change in their property. Similarly, Lithuania reported that the declaration of interests should be submitted by public officials upon election or appointment and be modified on an ad hoc basis, whenever changes occurred or a conflict of interest arose.

67. The United States reported that individuals in positions that required public financial disclosure filed their declarations upon entry into the position, annually, and then upon leaving the position. Certain individuals, such as candidates for nomination or election to the office of the President or Vice-President, and certain presidential nominees requiring Senate confirmation, had to file their disclosure within a period of time but no later than 30 days before an election or within five days after nomination to a position. New entrants were required to file a report within 30 days of assuming office, if not earlier. Thereafter, the officials had to file an annual report every year by May 15, and again within 30 days of terminating their position. The United States also reported that certain employees who were less senior but whose positions posed a risk of potential conflicts of interest were required to file new disclosure reports upon assuming office, as well as annual confidential financial disclosure reports, but they were not required to submit termination reports.

2. Method of submission

68. In relation to the method of submission of asset and interest disclosure reports, three clear variants were reported: States parties that accepted electronic submissions only, those that accepted paper-based submissions only, and those that accepted both paper-based and electronic submissions. Some States that reported that they could receive either paper-based or electronic submissions gave the declarant the option of which format to use. Other States reported that paper-based systems were required for some categories of officials.

69. Cuba, Cyprus, Sierra Leone and Slovenia indicated that their asset and income disclosure systems were paper-based.

70. Algeria, Argentina, Armenia, Czechia, Georgia, Indonesia, Italy, Lithuania and the United States reported using electronic systems for the submission of declarations.

71. Hungary, Madagascar, Montenegro and Romania reported that the asset and interest declarations could be submitted electronically online or in paper format, depending on the position of the declaring public official.

72. Armenia stated that the Commission on Ethics of High-Ranking Officials maintained an electronic declaration platform enabling the online submission of asset declarations.

73. The Plurinational State of Bolivia reported that a system for online submission of the declarations of property and income before the Office of the Comptroller General of the State had been established. Public officials were able to access their account at any time to register, modify and print their declaration of property and assets.

74. The United States reported that an executive branch-wide electronic filing system was available for the filing of public reports, while the confidential filing was done either through individual agencies' electronic filing systems or by using standard forms which were available on the website of the Office of Government Ethics. Agencies could also seek permission from the Office of Government Ethics to use a more tailored, alternative confidential form.

75. Sierra Leone reported that declarations were submitted on paper and had to be signed on oath by the declarant in the presence of a Commissioner for Oaths or a justice of the peace. Sierra Leone further noted that it was planning to establish an online asset declaration system which would facilitate the completion and submission of asset declarations.

3. Competent body

76. In general, States parties reported two distinct types of system, with the public officials being required to submit their declarations either to the agency that employed them or to a central agency that was responsible for the collection of asset and interest declarations. There were a variety of central agencies which performed this role, including supreme audit institutions, anti-corruption bodies and tax authorities. Additionally, some States parties reported having separate systems for certain categories of officials such as the judiciary or elected representatives.

77. Algeria reported that the competent body to which declarations were submitted depended on the rank of the declaring officials. The Supreme Court was responsible for collecting the declarations of the President, members of Parliament, the Prime Minister, ministers and other high-level officials, whereas the national body for prevention of corruption was responsible for collecting declarations of lower-level officials.

78. Armenia and Lithuania reported that the declarations were submitted to a central body responsible for public sector ethics, while Austria stated that the reports of public servants were sent to the Auditor General's Office.

79. The United States reported that the public financial disclosure reports were submitted to the Office of Government Ethics, through an online platform that was administrated by the Office as well as to the individual government agencies in which the officials worked.

80. The Plurinational State of Bolivia reported that the Office of the Comptroller General of the State, as the governing body of the government control system, exercised the power to direct and control the declaration of assets and income system for all of the public sector. It was also responsible for establishing the regulations related to the system of declarations of goods and rents.

81. Germany reported that civil servants were generally not required to disclose their assets after being appointed or elected. To compensate for the lack of an asset and interest disclosure system, the revenue authorities were obliged to report any facts which give rise to a reason to suspect a criminal offence to the law enforcement authorities.

82. Indonesia stated that all public officials of the executive, legislative and judicial branches with strategic functions had to submit asset and interest declarations to the Corruption Eradication Commission. In contrast, lower level civil servants submitted reports on their assets to the head of the respective government agency.

83. Madagascar reported that the Independent Anti-Corruption Bureau was responsible for the management of the declarations of assets and economic interests. It was competent for the collection, verification, operation, control, monitoring, archiving and securing of information, as well as for the implementation of sanctions for default and misrepresentation.

84. Hungary stated that declarations were submitted to the employer of the public official or bailiff, the county chamber of notaries, the owner of the State-owned company, the manager of the State subvention fund or the president of the Hungarian Central Bank.

85. Portugal stated that the holders of political offices and high-level officials submitted regular declarations to the Constitutional Court. Slovakia noted that it had established a decentralized system of asset and interest disclosure, under which high-level officials had to submit a declaration to their supervising bodies.

4. Measures to support the submission of declarations

86. The practical requirements for the implementation of the asset and interest disclosure regime often presented challenges for public officials. Therefore, a number of States parties also reported taking specific measures to facilitate the submission process, to build the capacity of public officials and the oversight bodies entrusted with the management of the asset disclosure system, and to raise the awareness of public officials and the public at large of the importance of the disclosure.

87. The most common type of support that was reported was the availability of guidance on the completion of the declaration in either paper format or on the website in cases where electronic submissions were possible. Some States parties also highlighted that they maintained help desk facilities to provide advice to officials filing declarations.

88. Czechia, Hungary, Romania and Slovenia stated that they had adopted special guidelines to facilitate the submission of the declarations by public officials. The Plurinational State of Bolivia reported that guidelines for filing the asset declarations were available on the website of the General Comptroller of the State.

89. Chile underlined that the human resources subdepartment provided personalized advice to public officials, in person or online.

90. Hungary reported that a guidance note was attached as an annex to the declaration template and that human resources units of the different State organizations helped facilitate the completion of declarations of the assets.

91. Indonesia reported that it provided video tutorials on the relevant website to guide public officials when submitting declarations. The United States stated that the Office of Government Ethics had created an interactive online public financial disclosure guide to assist those who file or review public financial disclosure reports. The guide provided step-by-step instructions on how to fill out the public financial disclosure form and how to report specific types of financial holdings.

D. Verification and enforcement

92. The submissions by States parties addressed two key aspects of the verification process: the criteria used to decide which declarations to verify and the verification process itself.

1. Declarations subjected to verification

93. Three trends were identified in the submissions with regard to the criteria used to select which asset and interest declarations would be subject to verification.

94. Montenegro reported that, under its system, all declarations submitted by high-level officials were subjected to verification.

95. Georgia, Montenegro, Sierra Leone and Slovenia reported using a different method in which a random sample of declarations was selected for verification.

96. The third approach that was adopted by States based the decision to verify on the detection of risks. Argentina, Cuba, Czechia, Georgia, Indonesia and Romania indicated that the decision to perform a verification was taken following the receipt of a corruption-related complaint against a public official. Indonesia also reported that a decision to perform a verification of an asset declaration could also be based on whether a red flag or anomalies were detected.

2. Verification procedures

97. The two main methods of verification that were reported were electronic checks that were undertaken against other databases of relevant information and the manual examination of the declarations. Many States parties reported that they used both electronic and manual verification techniques.

98. In some cases where electronic techniques were used, they served the purpose of identifying high-risk submissions which would then be subjected to manual verification. In other cases, such as in those States which compared the information included in the declaration to other governmental databases, the electronic verification constituted the complete process.

99. In most instances, States parties reported that the verification was undertaken by the agency tasked with receiving the declaration, but examples were provided where the verification process was undertaken by a separate body, such as the tax authority.

100. Armenia provided information that its electronic declaration system performed automated verifications of all the declarations in the system, as well as the analysis of existing data. The verification process included compliance checking, checking for internal consistency, cross-checks with external databases, comparisons across years, mathematical analysis of declared data, and declaration analysis based on risk indicators. In the process of analysing declarations, the Commission demanded and received the information required from State and local self-government bodies, the central depository and other persons.

101. Argentina indicated that a system was being established which would allow for the integration of all the actors (Anti-Corruption Office, human resources officers and those required to submit) and eliminate all paper-based formats, thus reducing the costs for both the administration and the public officials. The system would also improve the interoperability of data, the possibilities of compiling statistics, the generation of reports and general enforcement.

102. Bolivia (Plurinational State of) and Romania reported that the verification of the declarations was performed through cross-checking with external databases of both public and private entities.

103. Czechia, Georgia and Montenegro indicated that the verification process was performed through cross-checking with databases within the public administration.

104. Italy stated that the National Anti-Corruption Authority controlled asset declarations through requests made for information and documentation to the public entities. Slovenia indicated that the Commission for the Prevention of Corruption had access to all information referred to in the declaration of assets and compared that information with official records to verify the accuracy of the statements of the person with obligations.

105. Poland reported that the relevant committees, designated by the Sejm and senate according to their rules, as well as the relevant tax offices, analysed the data in the asset declarations of the members of the Sejm and the senate. The data were compared with the contents of previous declarations and with a copy of the annual tax return. The outcome of the analysis was presented to the Presidium of the Sejm or senate. The Central Anti-Corruption Bureau could also analyse each asset declaration.

106. The United States stated that reviewers were generally proactive in engaging with filers to ensure that all disclosures had been accurately made. This was particularly true for the review of reports under the jurisdiction of the Office of Government Ethics. During the technical review, the relevant agency worked with the individual filer, asking a variety of questions to clarify the entries on the report and helping the individual to ensure that all required information was properly disclosed, which could take multiple rounds. The agency also consulted the publicly available resources such as finance websites, search engines, and government websites to better understand the nature of the individual's financial holdings. If inaccuracies were found, the agency and the Office were authorized to require additional information to be provided by the filer, which became part of the report. Once the review was completed, the reviewing officials within each agency or the Office certified and maintained the reports for a period of six years.

3. Enforcement

107. States parties provided information on enforcement processes relating to the failure to file declarations and the falsification of declarations, including by omission. A broad range of different administrative and criminal sanctions was reported. The most frequently reported sanctions for failure to submit were fines, reductions in salary and dismissal from service. In relation to the submission of false statements, there was a wider variety of sanctions reported, with some States parties having the option of a custodial sentence in serious cases.

108. The Russian Federation and Hungary emphasized that the submission of a declaration was a precondition for the conclusion of the employment contract. Conversely, the failure to submit a declaration constituted grounds for termination of a contract.

109. Armenia reported that its legal regulations provided for administrative sanctions for violations of asset declaration regulations such as late submission, violations of submission requirements and procedures or submission by negligence of wrong or incomplete data in declaration. The regulations further provided for criminal sanctions for the submission of false data, concealing data or the malicious non-submission of declarations.

110. Czechia underlined that whenever the Ministry of Justice concluded that a public official might have committed a misdemeanour, it submitted the information to the Office for Personal Data Protection or a local municipal authority that had an extended jurisdiction for imposing administrative sanctions.

111. Bolivia (Plurinational State of), Cyprus and the United States stated that public officials who failed to submit a declaration or submitted a false declaration were criminally liable.

112. Madagascar noted that the breach of the obligation to declare assets constituted a breach of the duty of probity and integrity of public officials, magistrates or military officers.

113. Montenegro reported that, in case of doubt, a public official was required to provide, within 30 days, detailed information on how his or her assets and income had been acquired. Furthermore, the relevant agency forwarded the case to the competent public prosecutor's office. Similarly, Slovakia stated that the body which received declarations requested an explanation from the public official whenever there were doubts concerning their completeness or veracity. If the body deemed the explanation provided to be insufficient, it requested the initiation of proceedings under a special regulation.

114. Romania indicated that an investigation procedure in relation to a conflict of interest or incompatibility was initiated either following an ex officio notification or following a complaint made and consisted of the verification of the interest disclosure by the integrity inspector. If the elements of a conflict of interest or incompatibility were detected, the integrity inspector notified the person under evaluation and asked them to present an explanation. If unexplained wealth was found, the case was forwarded to the Wealth Investigation Commission in the competent Court of Appeal.

115. Slovenia reported that when the Commission for the Prevention of Corruption discovered inconsistencies in a declaration of assets, it requested the official to submit an explanation. If the Commission determined that there had been an unexplained growth of official's assets, it notified the Office of the State Prosecutor to initiate a procedure for the confiscation of the illicit assets.

4. Transparency

116. Transparency of asset and interest disclosure systems is often promoted based on the belief that the access of the general public to the declarations of assets and interests encouraged reporting and facilitated the detection of corruption.

117. The reports from States parties fell into three categories in relation to transparency: all information in the declarations was made public, some information was made public, or no information was made public.

118. In the second category, the restrictions on which information was made public related to either the type of information or the category of the official making the declaration. Typically, in these semi-public systems, any information thought to compromise the security of the official was withheld. In systems where the publication of data was linked to the position of the official, the information was made public or not depending on either the security of certain categories of public officials or whether the information was considered to be in the public interest.

119. Another aspect related to transparency that was highlighted by States was how the information was made public. The information was made available in either electronic or paper format. Further, the information was either proactively made freely available or an individual seeking the information had to apply to obtain it.

120. Argentina, Armenia, Bolivia (Plurinational State of), Czechia, Georgia, Indonesia, Lithuania, Montenegro, Norway, Panama, Portugal, Romania, Slovakia and Slovenia highlighted that they provided full access to the declarations to the public at large. Bosnia and Herzegovina indicated that the Central Electoral Commission published the declarations of elected officials on its official website. Bosnia and Herzegovina and Romania further stated that information regarding the assets and interest disclosure system was made available on the Internet.

121. Austria, Hungary, Kiribati, Madagascar and Sierra Leone, in contrast, stated that the asset and interest declarations were generally not publicly available.

122. Armenia reported that all information, except for identification data of property and persons, was accessible through an official website. Cyprus stated that the parts of the declarations which contained information on the assets and liabilities of the spouse and the minor children of the public official were kept confidential, while the rest was freely available to the public.

123. The United States underlined that reports submitted by the President, Vice-President and officials at the top two pay levels of the public service, such as cabinet secretaries, were posted online through the Office of Government Ethics' website and could be accessed without the need for a request. All other financial disclosure reports that were available to the public could be requested electronically through the submission of an online request form or, in case of reports filed by executive branch employees, could be obtained by completing a request form with the appropriate agency.

124. Madagascar stated that, to ensure the protection of personal data, the access to the declarations was limited for the purposes of legal proceedings. Statistics relating to the management of the asset declaration system were available and communicated to the public.

III. Conclusions and recommendations

125. The submissions by States ahead of the meeting of the Working Group clearly demonstrated the breadth of approaches and measures that had been taken to strengthen integrity in the public administration by introducing assets and interest disclosure systems. There were similarities across many jurisdictions in terms of goals of the system and its main elements; and important differences and innovative approaches that may be drawn upon by other States parties that were considering such measures.

126. As part of its discussions, the Working Group may wish to consider how States parties can further strengthen their efforts to promote effective, transparent and reliable asset and interest disclosure systems, including sharing information about good practices and common challenges among States parties.

127. The Working Group may also wish to recommend that States parties strengthen the exchange of information on the approaches and measures taken to ensure effective verification of the asset and interest declarations and to strengthen accountability of public officials.

128. The Working Group may wish to request the Secretariat to continue its efforts to gather information on good practices related to the introduction and functioning of asset and interest disclosure systems, particularly in the context of the second implementation review cycle.